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HOUSE BILL 435

**46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004**

INTRODUCED BY

Debbie A. Rodella

AN ACT

RELATING TO TAXATION; PERMITTING INCOME TAX AND CORPORATE  
INCOME TAX CREDITS FOR COMMUTER HIGHWAY TRANSIT SERVICES AND  
QUALIFIED PARKING SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Income Tax Act is enacted  
to read:

"~~[NEW MATERIAL]~~ CREDITS--COMMUTER HIGHWAY TRANSIT  
SERVICES--QUALIFIED PARKING.--

A. A taxpayer who files an individual New Mexico  
income tax return, who is not a dependent of another individual  
and who provides a commuter highway transit service may claim a  
credit in an amount equal to one hundred dollars (\$100) for  
each month that the taxpayer provides the service.

B. A taxpayer who files an individual New Mexico

1 income tax return, who is not a dependent of another individual  
2 and who provides qualified parking may claim a credit in an  
3 amount equal to one hundred eighty dollars (\$180) for each  
4 month that the taxpayer provides qualified parking.

5 C. The credits provided in this section may only be  
6 deducted from the taxpayer's New Mexico income tax liability  
7 for the taxable year.

8 D. A husband and wife who file separate returns for  
9 a taxable year in which they could have filed a joint return  
10 may each claim only one-half of the credits provided in this  
11 section that would have been allowed on a joint return.

12 E. A taxpayer who otherwise qualifies and claims a  
13 credit pursuant to this section for commuter highway transit  
14 services or qualified parking provided by a partnership,  
15 limited liability partnership or other business association of  
16 which the taxpayer is a member may claim that credit only in  
17 proportion to the taxpayer's interest in the partnership,  
18 limited liability partnership or association.

19 F. For the purposes of this section, "commuter  
20 highway transit service" means a service provided for the  
21 purpose of transporting employees in connection with travel to  
22 and from their places of employment in a vehicle:

23 (1) of which eighty percent or more of the  
24 mileage is used for the purpose of transporting employees in  
25 connection with travel between their homes and places of

underscored material = new  
[bracketed material] = delete

1 employment;

2 (2) that has a seating capacity of at least  
3 six adults; and

4 (3) that transports three or more passengers  
5 per trip.

6 G. For the purposes of this section, "qualified  
7 parking" means a parking space provided to an employee on an  
8 area from which the employee is transported by a commuter  
9 transport service."

10 Section 2. A new section of the Corporate Income and  
11 Franchise Tax Act is enacted to read:

12 "[NEW MATERIAL] CREDITS--COMMUTER HIGHWAY TRANSIT  
13 SERVICES--QUALIFIED PARKING.--

14 A. A taxpayer that files a corporate income tax  
15 return and provides a commuter highway transit service may  
16 claim a credit in an amount equal to one hundred dollars (\$100)  
17 for each month that the taxpayer provides the service.

18 B. A taxpayer that files a corporate income tax  
19 return and provides qualified parking may claim a credit in an  
20 amount equal to one hundred eighty dollars (\$180) for each  
21 month that the taxpayer provides qualified parking.

22 C. The credits provided in this section may only be  
23 deducted from the taxpayer's corporate income tax liability for  
24 the taxable year.

25 D. A taxpayer that otherwise qualifies and claims a

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underscored material = new  
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1 credit pursuant to this section for commuter highway transit  
2 services or qualified parking provided by a corporation,  
3 limited liability corporation, S corporation or other business  
4 association may claim that credit only in proportion to the  
5 taxpayer's interest in the corporation, limited liability  
6 corporation, S corporation or business association.

7 E. For the purposes of this section, "commuter  
8 highway transit service" means a service provided for the  
9 purpose of transporting employees in connection with travel to  
10 and from their places of employment in a vehicle:

11 (1) of which eighty percent or more of the  
12 mileage is used for the purpose of transporting employees in  
13 connection with travel between their homes and places of  
14 employment;

15 (2) that has a seating capacity of at least  
16 six adults; and

17 (3) that transports three or more passengers  
18 per trip.

19 F. For the purposes of this section, "qualified  
20 parking" means a parking space provided to an employee on an  
21 area from which the employee is transported by a commuter  
22 transport service."

23 Section 3. APPLICABILITY.--The provisions of this act  
24 apply to taxable years beginning on or after January 1, 2004.